



General Assembly

**Substitute Bill No. 258**

February Session, 2012

\* \_\_\_\_SB00258LAB\_\_031612\_\_ \*

**AN ACT CONCERNING AN INCREASE IN THE MAXIMUM  
ALLOWABLE UNEMPLOYMENT COMPENSATION TRUST FUND  
BALANCE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (f) of section 31-225a of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2012*):

4 (f) (1) For each calendar year commencing with calendar year 1994  
5 but prior to calendar year 2013, the administrator shall establish a fund  
6 balance tax rate sufficient to maintain a balance in the Unemployment  
7 Compensation Trust Fund equal to eight-tenths of one per cent of the  
8 total wages paid to workers covered under this chapter by  
9 contributing employers during the year ending the last preceding June  
10 thirtieth. If the fund balance tax rate established by the administrator  
11 results in a fund balance in excess of said per cent as of December  
12 thirtieth of any year, the administrator shall, in the year next following,  
13 establish a fund balance tax rate sufficient to eliminate the fund  
14 balance in excess of said per cent. For each calendar year commencing  
15 with calendar year 2013, the administrator shall establish a fund  
16 balance tax rate sufficient to maintain a balance in the Unemployment  
17 Compensation Trust Fund that results in an average high cost multiple  
18 equal to 0.5. Commencing with calendar year 2014 and ending with  
19 calendar year 2018, the administrator shall establish a fund balance tax

20 rate sufficient to maintain a balance in the Unemployment  
21 Compensation Trust Fund that results in an average high cost multiple  
22 that is increased by 0.1 from the preceding calendar year. Commencing  
23 with calendar year 2019, the administrator shall establish a fund  
24 balance tax rate sufficient to maintain a balance in the Unemployment  
25 Compensation Trust Fund that results in an average high cost multiple  
26 equal to 1.0. If the fund balance tax rate established by the  
27 administrator results in a fund balance in excess of the amount  
28 prescribed in this subdivision as of December thirtieth of any year, the  
29 administrator shall, in the year next following, establish a fund balance  
30 rate sufficient to eliminate the fund balance in excess of said amount.  
31 The assessment levied by the administrator at any time (A) during a  
32 calendar year commencing on or after January 1, 1994, but prior to  
33 January 1, 1999, shall not exceed one and five-tenths per cent, (B)  
34 during a calendar year commencing on or after January 1, 1999, shall  
35 not exceed one and four-tenths per cent, and [(C)] shall not be  
36 calculated to result in a fund balance in excess of eight-tenths of one  
37 per cent of such total wages, and (C) during a calendar year  
38 commencing on or after January 1, 2013, shall not exceed one and four-  
39 tenths per cent and shall not be calculated to result in a fund balance in  
40 excess of the amounts prescribed in this subdivision.

41 (2) The average high cost multiple shall be computed as follows:  
42 The result of the balance of the Unemployment Compensation Trust  
43 Fund on December thirtieth immediately preceding the new rate year  
44 divided by the total wages paid to workers covered under this chapter  
45 by contributing employers for the twelve months ending on the  
46 December thirtieth immediately preceding the new rate year shall be  
47 the numerator and the average of the three highest calendar benefit  
48 cost rates in (A) the last twenty years, or (B) a period including the last  
49 three recessions, whichever is longer, shall be the denominator. Benefit  
50 cost rates are computed as benefits paid including the state's share of  
51 extended benefits but excluding reimbursable benefits as a per cent of  
52 total wages in covered employment. The results rounded to the next  
53 lower one decimal place will be the average high cost multiple.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2012</i>	31-225a(f)
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**LAB**      *Joint Favorable Subst.*